



National Republican Congressional Committee

FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

RECEIVED
FEC MAIL ROOM

2000 SEP 28 A 11: 59

Donald F. McGahn II
General Counsel

SEP 28 3 15 PM '00

MUR 5105

September 28, 2000

Lawrence M. Noble, Esq.
General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: Complaint Against Clinesmith for Congress Committee, Karl
Lynch as Treasurer

Dear Mr. Noble:

The National Republican Congressional Committee, by and through its General Counsel, hereby brings this complaint pursuant to 2 U.S.C. § 437g(a)(1) against Clinesmith for Congress Committee and Karl Lynch as Treasurer. The National Republican Congressional Committee is located at 320 First Street, S.E., Washington, D.C. 20003.

I. FACTUAL BACKGROUND

Curtis E. Clinesmith is a Democrat candidate for United States Congress from the 13th district of Texas. His campaign committee is Clinesmith for Congress. Clinesmith secured \$100,000 in bank loans, cash on deposit, at an interest rate of 4.52%. According to his United States House of Representatives Financial Disclosure Statement (PDF) and his July 2000 quarterly report:

320 First Street, S.E.
Washington, D.C. 20003
(202)479-7069
www.nrcc.org

- Clinesmith reported only \$56,600 in earned income on the PDF covering the period from January 1, 1998 through December 31, 1999.
- On December 24, 1999, Clinesmith guaranteed a \$60,000 loan from Point Bank with \$62,760 cash on deposit.
- On his PDF covering January 1, 2000 to July 31, 2000, Clinesmith reported \$42,000 earned income.
- On June 24, 2000, Clinesmith guaranteed a \$40,000 loan from Point Bank with \$40,000 cash on deposit.
- Clinesmith has a joint bank account with his spouse in an amount ranging from \$1,001 to \$15,000 and a joint investment account from \$50,00 to \$100,000.
- Clinesmith has liabilities through USA Loan ranging from \$50,001 to \$100,000 for school loans.

Remarkably, Clinesmith was able to personally guarantee both loans as cash on deposit in an amount totaling \$102,760 despite the fact he earned only \$98,600 from January 1998 to July 2000. Furthermore, he was able to incur these loans at an unusually low 4.52% interest rate. Clinesmith's ability to personally guarantee, cash on deposit, over \$100,000 of loans when his earned income for that period was approximately \$32,866 a year, is highly questionable given his seemingly very limited resources.

II. VIOLATIONS

A. Bank Loans

Under the Act, a candidate can obtain a loan from a bank provided (1) the loan bears the usual and customary interest rate, (2) is evidenced by a written instrument, (3) subject to a due date, (4) and is made on a basis which assures repayment. 11 C.F.R. § 100.7(b)(11). Furthermore, a candidate may secure the loan using his own assets so long as the fair market value of the assets equals or exceeds the value of the loan. However, if the assets are jointly owned with his or her spouse, the loan may not be greater than the candidate's share of the property (usually one-half); otherwise a contribution results. 11 C.F.R. § 100.7(a)(1)(i)(D). Moreover, if a third party guarantees a loan, a contribution results. 11 C.F.R. § 100.7(b)(11)(i)(B)(1) and (2).

2025-04-04 10:50:40

In this case, Clinesmith secured two loans with a total of \$102,760 cash on deposit. What is questionable is how he obtained \$62,760 cash on deposit when his reported income as of December 31, 1999 was \$0, and for 1998, \$56,600. Even more surprising, he was able to secure \$40,000 cash on deposit in June of 2000; however, his income for that period, as his PDF shows, was only \$27,000. As reported in his PDF, Clinesmith's income, coupled with his \$100,000 liabilities, makes it doubtful that he would have \$102,760 to use as security for a \$100,000 bank loan. As such, it would seem he has received funding from another source in order for him to secure these loans.

Although Clinesmith has two joint accounts with his wife, these accounts, at most, equal \$150,000. In addition, because these are joint accounts, Clinesmith's share would customarily be equal to one-half of the property, \$75,000. Because the PDF only provides an estimated range of assets, \$150,000 would be the maximum amount held in the account as reported by Clinesmith. Assuming the account contains \$75,000 of Clinesmith's own property, \$27,760 is still unaccounted for.

The law is settled as pertaining to bank loans. If the amount of the loan is greater than the amount of Clinesmith's own assets, the remainder is a contribution. In this case, either he has received an excessive contribution from his wife by using her funds in the joint accounts, or someone else has provided him with the funds to obtain the bank loan. In either case, the amounts are excessive contributions and are prohibited under the Act. This raises serious questions as to the source of Clinesmith's funding, and as such, provides sufficient basis to warrant an investigation by the Commission.

B. Usual and Customary Interest Rate

As stated above, a bank loan must bear the usual and customary interest rate for the type of loan involved. 11 C.F.R. § 100.7(b)(11). If the interest rate is below that customarily applied to the category of loan involved, then the committee has received a prohibited contribution from a lending institution.

In this case, Clinesmith has received a \$100,000 loan from Point Bank at an interest rate of 4.52%. This interest rate is questionable, as it is significantly less than the current prime rate.

III. CONCLUSION

For these reasons, and based upon the foregoing, the National Republican Congressional Committee respectfully requests that the Commission find reason to believe that Federal law has been violated and institute appropriate legal action.

The foregoing is correct and accurate to the best of my knowledge, information and belief.

Respectfully submitted,



Donald F. McGahn II

District of Columbia

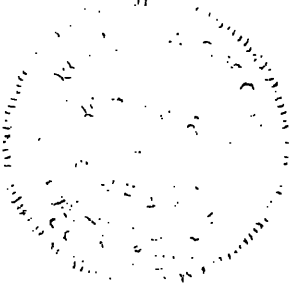
Signed and sworn to before me this
28 day of September, 2000.



Notary Public

My Commission expires

M.D. ACTON
Notary Public, District of Columbia
My Commission Expires July 14, 2004



21-04-405-0408

REPORT OF RECEIPTS AND DISBURSEMENTS

For An Authorized Committee
(Summary Page)

RECEIVED
FEC MAIL ROOM
2000 JUL 18 A 10:34

USE FEC MAILING LABEL
OR
TYPE OR PRINT

1. NAME OF COMMITTEE (In full) Clinesmith for Congress		2. FEC IDENTIFICATION NUMBER C00350769
ADDRESS (number and street) <input type="checkbox"/> Check if different than previously reported. 121 W. Hickory Suite 100A		3. IS THIS REPORT AN AMENDMENT? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
CITY, STATE and ZIP CODE Denton, TX 76201	STATE/DISTRICT TX/13	

4. TYPE OF REPORT

- ☐ April 15 Quarterly Report ☐ 12-Day Pre-Election Report for the _____ (Type of Election)
- ☒ July 15 Quarterly Report election on _____ in the State of _____
- ☐ October 15 Quarterly Report ☐ 30-Day Post-Election Report following the General Election
- ☐ January 31 Year End Report on _____ in the State of _____
- ☐ July 31 Mid-Year Report (Non-Election Year Only) ☐ Termination Report

This report contains activity for: ☐ Primary Election ☒ General Election ☐ Special Election ☐ Runoff Election

SUMMARY

5. Covering Period	COLUMN A This Period	COLUMN B Calendar Year-to-Date
April 1, 2000 through June 30, 2000		
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(a))	\$ 55,250. ⁰⁰	\$ 104,175. ⁰⁰
(b) Total Contribution Refunds (from Line 20(d))	—	—
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	\$ 55,250. ⁰⁰	\$ 104,175. ⁰⁰
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	\$ 34,081. ⁴⁵	\$ 54,167. ⁶⁹
(b) Total Offsets to Operating Expenditures (from Line 14)	—	—
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	\$ 34,081. ⁴⁵	\$ 54,167. ⁶⁹
8. Cash on Hand at Close of Reporting Period (from Line 27)	\$ 201,572. ⁰⁰	
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	—	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	\$ 100,000. ⁰⁰	

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer Karl F. Lynch	Date 7/14/00
Signature of Treasurer <i>Karl F. Lynch</i>	

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

--	--	--	--	--	--	--	--	--	--

FEC FORM 3
(revised 4/87)

FE8222

21.04.405.0409

DETAILED SUMMARY PAGE

of Receipts and Disbursements
(Page 2, FEC FORM 3)

Name of Committee (in full) Clinesmith for Congress Report Covering the Period From April 1, 2000 to June 30, 2000

I. RECEIPTS

11. CONTRIBUTIONS (other than loans) FROM:

(a) Individuals/Persons Other Than Political Committees

(i) Itemized (use Schedule A) -----

(ii) Unitemized -----

(iii) Total of contributions from individuals -----

(b) Political Party Committees -----

(c) Other Political Committees (such as PACs) -----

(d) The Candidate -----

(e) TOTAL CONTRIBUTIONS (other than loans) (add 11(a)(iii), (b), (c) and (d)) -----

12. TRANSFERS FROM OTHER AUTHORIZED COMMITTEES -----

13. LOANS:

(a) Made or Guaranteed by the Candidate -----

(b) All Other Loans -----

(c) TOTAL LOANS (add 13(a) and (b)) -----

14. OFFSETS TO OPERATING EXPENDITURES (Refunds, Reimb., etc.) -----

15. OTHER RECEIPTS (Dividends, Interest, etc.) -----

16. TOTAL RECEIPTS (add 11(e), 12, 13(c), 14 and 15) -----

II. DISBURSEMENTS

17. OPERATING EXPENDITURES -----

18. TRANSFERS TO OTHER AUTHORIZED COMMITTEES -----

19. LOAN REPAYMENTS:

(a) Of Loans Made or Guaranteed by the Candidate -----

(b) Of All Other Loans -----

(c) TOTAL LOAN REPAYMENTS (add 19(a) and (b)) -----

20. REFUNDS OF CONTRIBUTIONS TO:

(a) Individuals/Persons Other Than Political Committees -----

(b) Political Party Committees -----

(c) Other Political Committees (such as PACs) -----

(d) TOTAL CONTRIBUTION REFUNDS (add 20(a), (b) and (c)) -----

21. OTHER DISBURSEMENTS -----

22. TOTAL DISBURSEMENTS (add 17, 18, 19(c), 20(d) and 21) -----

III. CASH SUMMARY

3. CASH ON HAND AT BEGINNING OF REPORTING PERIOD -----	\$ 140,394.31	23
4. TOTAL RECEIPTS THIS PERIOD (from Line 16) -----	\$ 95,250.00	24
5. SUBTOTAL (add Line 23 and Line 24) -----	\$ 235,644.31	25
6. TOTAL DISBURSEMENTS THIS PERIOD (from Line 22) -----	\$ 34,081.45	26
7. CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (subtract Line 26 from 25) -----	\$ 201,562.86	27

LOANS

Date _____
LINE NUMBER _____
(Use separate schedule for each numbered line)

Name of Committee (in Full)

Clinesmith for Congress

A. Full Name, Mailing Address and ZIP Code of Loan Source <i>Point Bank 2005 Hwy. 3771 P.O. Box 278 Pilot Point, TX 76258</i>	Original Amount of Loan <i>40,000</i>	Cumulative Payment To Date <i>0</i>	Balance Outstanding at Close of This Period <i>40,000</i>
Election: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):			

Terms: Date Incurred *6-27-00* Date Due *12-25-00* Interest Rate *4.5%* % (ap) ☒ Secured

List All Endorsers or Guarantors (if any) to Item A

1. Full Name, Mailing Address and ZIP Code <i>Curtis Clinesmith 1705 Westchester Denton, TX 76201</i>	Name of Employer <i>Clinesmith & Lynch</i> Occupation <i>Attorney</i> Amount Guaranteed Outstanding <i>\$ 40,000</i>		
2. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding \$		
3. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding \$		

B. Full Name, Mailing Address and ZIP Code of Loan Source	Original Amount of Loan	Cumulative Payment To Date	Balance Outstanding at Close of This Period
Election: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):			

Terms: Date Incurred _____ Date Due _____ Interest Rate _____ % (ap) ☐ Secured

List All Endorsers or Guarantors (if any) to Item B

1. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding \$		
2. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding \$		
3. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding \$		

UBTOTALS This Period This Page (optional) _____

DTALS This Period (last page in this line only) _____

Carry outstanding balance only to LINE 3, Schedule D, for this line. If no Schedule D, carry forward to appropriate line of Summary.

LOANS AND LINES OF CREDIT FROM LENDING INSTITUTIONS

NAME OF COMMITTEE (IN FULL) <i>Clinesmith for Congress</i>		FEC IDENTIFICATION NUMBER <i>C00350769</i>	
FULL NAME, MAILING ADDRESS AND ZIP CODE OF LENDING INSTITUTION (LENDER) <i>Point Bank 2005 Hwy. 3771 P.O. Box 278 Pilot Point, Texas 76258</i>		AMOUNT OF LOAN <i>40,000.00</i>	INTEREST RATE (APR) <i>4.520</i>
		DATE INCURRED OR ESTABLISHED <i>6-27-00</i>	DATE DUE <i>12-24-00</i>

A. Has loan been restructured? ☒ No ☐ Yes If yes, date originally incurred: _____

B. If line of credit, amount of this draw: _____; total outstanding balance: _____

C. Are other parties secondarily liable for the debt incurred?

☒ No ☐ Yes (Endorsers and guarantors must be reported on Schedule C.)

D. Are any of the following pledged as collateral for the loan: real estate, personal property, goods, negotiable instruments, certificates of deposit, chattel papers, stocks, accounts receivable, cash on deposit, or other similar traditional collateral?

☐ No ☒ Yes If yes, specify: *Cash on deposit*

What is the value of this collateral? *40,000*

Does the lender have a perfected security interest in it? ☐ No ☒ Yes

E. Are any future contributions or future receipts of interest income, pledged as collateral for the loan?

☒ No ☐ Yes If yes, specify: _____ What is the estimated value? _____

A depository account must be established pursuant to 11 CFR 100.7(b)(11)(i)(B) and 100.8(b)(12)(i)(B). Date account

established: *6-27-00* Location of account: *Point Bank*

F. If neither of the types of collateral described above was pledged for this loan, or if the amount pledged does not equal or exceed the loan amount, state the basis upon which this loan was made and the basis on which it assures repayment.

G. COMMITTEE TREASURER

TYPED NAME

Karl F. Lynch

SIGNATURE

[Signature]

DATE

7/14/00

H. Attach a signed copy of the loan agreement.

I. TO BE SIGNED BY THE LENDING INSTITUTION:

I. To the best of this institution's knowledge, the terms of the loan and other information regarding the extension of the loan are accurate as stated above.

II. The loan was made on terms and conditions (including interest rate) no more favorable at the time than those imposed for similar extensions of credit to other borrowers of comparable credit worthiness.

III. This institution is aware of the requirement that a loan must be made on a basis which assures repayment, and has complied with the requirements set forth at 11 CFR 100.7(b)(11) and 100.8(b)(12) in making this loan.

AUTHORIZED REPRESENTATIVE

Shantell Nunn

TYPED NAME

SIGNATURE

[Signature]

TITLE

Branch Manager

DATE

07/14/00

04-22-2019

POINTEBANK 700 BOX 278 PILOT POINT, TX 75259	CURTIS CLIPSMITH 1705 WESTCHERRY CHRYSTON, TX 75201	Loan Number 046000-1820 Date 11/28/2000 Maturity Date DEC 24, 2010 Loan Amount \$ 100,000.00 Renewal Cr 0000
NEW LENDER'S NAME AND ADDRESS AND "You" means the lender, its successors and assigns. TERMS FOLLOWING: <input type="checkbox"/> ADDED ONLY IF CHANGED		BORROWER'S NAME AND ADDRESS "I" includes each borrower above, jointly and severally.

NOTE - For value received, I hereby agree to pay, in full, or pay over, or pay over and over and over, the principal sum of: 100,000.00

CHE MURKIN THROUGHTS AND SO/2000 100,000.00
 plus interest 05/28/2000 at the rate of 4.5200 % per annum 12/28/2000 The rate is fixed, and is payable in full 12/24/00 the payment date.

☐ ADMINISTRATIVE FEE - I agree to pay a non-refundable fee of \$ that will be ☐ paid in cash ☐ paid with the scheduled payments.
☒ VARIABLE RATE - I choose the rate may then change to as high as 2.5000% ABOVE the following base rate:
POINTEBANK SAVINGS ACCOUNT RATE/YIELD

The annual interest rate in effect on this loan will not be more than 16.00 % or less than N/A %.
 The interest rate in effect on this loan may change (as often as) MONTHLY depending upon a change in the base rate and the interest in the interest rate will change in ☒ the amount of the scheduled payment. ☐ the number of payments.

INTEREST - Interest accrues at a 365 DAY bank.
 PAYMENTS - All payments are due and payable on the payment date indicated above.
 I may prepay this loan at any time. All payments will be applied first to any charges I owe other than principal and interest, then to interest that is due, and finally to principal that is due.
☐ LATE CHARGE - If my payment is late, a late charge of N/A will be charged.

POSTPAID INTEREST - Interest will accrue at the rate of the bank's % per year on the principal balance of this loan not paid on the payment date.

☐ MAXIMUM INTEREST CHARGE - I agree to pay a maximum interest charge of 11.99 % per year on the principal balance of this loan not paid on the payment date.
 ** An additional rate applies to the STATUTORY CEILING RATE.

ANNUAL PERCENTAGE RATE The highest rate charged on a loan.	FINANCE CHARGE The dollar amount the creditor will receive.	AMOUNT FINANCED The amount of cash provided to the borrower.	TOTAL OF PAYMENTS The amount of cash the borrower will pay.	I have the right to receive all the cash on completion of the loan.
<u>4.52</u>	<u>2,266.19</u>	<u>100,000.00</u>	<u>102,266.19</u>	<input checked="" type="checkbox"/> YES - I own the collateral.

Number of Payments	Amount of Payments	First Payment Due	When Payment Due
<u>1</u>	<u>102,266.19</u>	<u>ON DEC 24, 2000</u>	<u>N/A</u> - I do not want to prepay.

Security - I am giving a security interest in:
☒ the goods of certain living decedent.
☒ real estate, including other land with you may also secure this loan.
☒ my deposit accounts and other rights to the payment of money from you.
☒ my other assets.
☐ My bank has a security interest in this loan. I understand about the terms of this loan and have been advised to all assets.
☐ My bank has a security interest in this loan. I understand about the terms of this loan and have been advised to all assets.

Any security will have the term of A MAKING ANNUITY DUE AT MATURITY

When this loan is due 1.00 % in 12 MONTHS or FINAL PAYMENT and interest is 102,266.19. The rate may not increase more than N/A and may not increase more than N/A % per year N/A % per year N/A % per year N/A % per year.

☐ LATE CHARGE: If my payment is late, I will be charged N/A % per year.
☐ I may all this rate only. ☐ I may ☐ will not have to pay a maximum interest charge.
☐ I may all this rate only. ☐ I may ☐ will not have to pay a maximum interest charge.

I can see my current statement for my account information about my account. I can see my current statement for my account information about my account. I can see my current statement for my account information about my account.

Type	Particular	Term
<u>Credit Life</u>	<u>N/A</u>	<u>N/A</u>
<u>Credit Disability</u>	<u>N/A</u>	<u>N/A</u>
<u>Joint Credit Life</u>	<u>N/A</u>	<u>N/A</u>

☐ I do ☒ I do not want this insurance.
☐ I do ☒ I do not want credit disability insurance.
☐ I do ☒ I do not want joint credit life insurance.
☐ I do ☒ I do not want N/A insurance.

CURTIS CLIPSMITH DOB
 DOB

PROPERTY INSURANCE - ☐ IS REQUIRED. ☒ IS NOT REQUIRED. I have the option of purchasing any insurance you require in connection with this transaction either through existing policies I own or obtain, or by procuring and transferring insurance coverage equivalent to what you require from any insurance company authorized to do business in Texas. If I get this insurance from or through you I will pay N/A for N/A of coverage.

☐ The premium stated above for N/A insurance is not based on approval by the State Board of Insurance.

BY THIS MY NOTE, DISCLOSURE AND SECURITY AGREEMENT
 I HEREBY AGREE TO THE TERMS AND CONDITIONS OF THIS LOAN AND TO THE SECURITY AGREEMENT.
 CONSUMER LOAN - NOT FOR OPEN-END CREDIT
 Page 1 of 2

2000-05-10-11

CURTIS CLINE SMITH 1704 WESTCHESTER DANTON, TX 76201	POINTBANK P O BOX 278 PILOT POINT, TX 75258	Loan File Number <u>0346700-48200</u> Date <u>JUNE 24, 2000</u> Loan Amount \$ <u>100,000.00</u> Maturity Date <u>DECEMBER 24, 2000</u> Renewal Of <u>48200</u>
BORROWER'S NAME AND ADDRESS Includes each borrower above, jointly and severally	LENDER'S NAME AND ADDRESS Includes the lender, its successors and assigns.	

DISCLAIMER OF ORAL AGREEMENTS

The Borrower, any other obligor, and Lender, hereinafter the Parties, have entered into a transaction generally described as A loan of \$100,000.00, dated JUNE 24, 2000 made by Lender to Borrower. In conjunction with this transaction the Parties have executed one or more promissory notes, assignments, security agreements, guaranty agreements, mortgages, deeds of trust or other documents. It is the intention of the Parties that this Disclaimer be incorporated by reference into each of the documents so executed for this transaction.

The Parties warrant and represent that the entire agreement made between the Parties is contained within the executed documents, as amended and supplemented hereby, and that no agreements or promises exist between the Parties that are not reflected in the language of the various documents executed in conjunction with this transaction.

**THIS WRITTEN LOAN AGREEMENT REPRESENTS THE FINAL AGREEMENT
BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED
BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL
AGREEMENTS OF THE PARTIES.**

**THERE ARE NO UNWRITTEN ORAL
AGREEMENTS BETWEEN THE PARTIES.**


CURTIS CLINE SMITH

Borrower

POINTBANK

BY:

Lender SHARTELL BOWNE, PERSONAL BANKING OFFICER

440" 504" 40" 12

CURTIS CLEMENTS 1701 WHITTENBYE PILOT POINT, TX 76858 BORROWER'S NAME AND ADDRESS Includes both borrower's name, address and address.	JOINTBANK P O BOX 378 PILOT POINT, TX 76858 LENDER'S NAME AND ADDRESS Includes the lender's name, address and address.	Loan Fee Number 0000000000 Date JUNE 24, 2000 Loan Amount \$ 100000.00 Maturity Date DECEMBER 24, 2000 Payment \$ 4800
--	---	---

DISCLAIMER OF ORAL AGREEMENTS

The Borrower, any other obligor, and Lender, hereinafter the Parties, have entered into a transaction generally described as A Loan of \$100,000.00, dated JUNE 24, 2000 made by Lender to Borrower. In conjunction with this transaction the Parties have executed one or more promissory notes, assignments, security agreements, guaranty agreements, mortgages, deeds of trust or other documents. It is the intent of the Parties that this Disclaimer be incorporated by reference into each of the documents so executed for this transaction.

The Parties warrant and represent that the above agreement made between the Parties is contained within the executed documents, as amended and supplemented hereby, and that no agreements or promises exist between the Parties that are not reflected in the language of the various documents executed in conjunction with this transaction.

THIS WRITTEN LOAN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.


CURTIS CLEMENTS

JOINTBANK

BY:


SCOTT D. QUINN, VICE PRESIDENT, JOINTBANK

CURTIS CLINESMITH
1705 WESTCHAMBER
DENTON, TX 76201

Account holder's name and address: "I" means the account holder named above. If there is more than one, "I" means all account holders jointly and each account holder separately.

Date: JUN 24, 2000

Assignment of deposit or share account: For value received, I assign and transfer to you, and I give you a security interest in the following account(s):

POINTBANK SAVINGS ACCOUNT #7236375 IN
THE AMOUNT OF \$103,350.30 WITH A RATE OF
2.00% AND A YIELD OF 2.02%

and any renewals or substitutions. These account(s) will be referred to as the collateral in the rest of this agreement. The collateral is held with:

POINTBANK, PILOT POINT, TX

which will be referred to as the depository in the rest of this agreement. The collateral includes all funds now in the accounts listed plus all additions of any kind and from any source, made at any time before the release of this agreement in writing.

Secured debt(s): This agreement is made to secure the payment of:

☐ all present and future debts, of every kind and description which

may now or hereafter owe to you, no matter how or when these debts arise. (We intend this paragraph to be very broad. For example, "debts" include loans or credit purchases, made by or transferred to you, as well as debts arising from any other relationship such as check overdrafts, forgotten, or returned deposits. These also include debts arising from any capacity (maker, co-maker, endorser, surety, guarantor.) If more than one person or entity is listed, then all joint and separate debts of all those listed are secured.

☐ the following described debt(s), plus all extensions, renewals, modifications and substitutions:

POINTBANK
P O BOX 274
PILOT POINT, TX 76258

Secured party's name and address: "You" means the secured party named above, your successors and assigns.

Additional terms: The following terms are also part of this agreement:

- (1) This agreement will last until you release it in writing, and you are not required to release it until the secured debts are paid in full.
- (2) While this agreement is in effect, neither I nor anyone else (except you, the secured party) can withdraw all or any part of the collateral.
- (3) No joint owner, beneficiary, surviving spouse or representative of my estate gets any right in the collateral in the event of my death or incapacity until the secured debts are paid in full.
- (4) You have the right to withdraw all or any part of the collateral and apply the withdrawal toward the payment of the secured debt(s), even if the withdrawal causes a penalty. If a secured debt is in default you can exercise this right without any notice to me or my consent (unless such notice or consent is required by law and cannot be waived). You have the right to sign my name (or sign your name as my attorney in fact) to exercise the rights given to you in this agreement.
- (5) I represent and promise that no other person or entity has any rights in the collateral that have priority over those I am giving you here and that no part of the collateral is exempt or protected by law from this agreement.
- (6) The rights and remedies I am giving you here are in addition to any stated in any other agreements. If there is more than one debt secured, more than one type of collateral (including collateral outside of this agreement) or more than one debtor loan, it is entirely in your discretion as to the order and timing of remedies you select.
- (7) I neither assume nor am released from personal liability for any of the secured debts merely by making this agreement; my personal liability will be determined by referring to other documents. I do assume personal liability for the warranties and representations made in this agreement.
- (8) A debt secured by this agreement (whether specifically listed or not) includes all sums that could possibly be due under the debt.
- (9) I specifically request and direct the depository to honor and accept this agreement and its terms.

Signature(s) of account holder(s): By signing here we accept the terms of this agreement and acknowledge receipt of a copy.

Curtis Clinesmith
CURTIS CLINESMITH

Notice to depository

Date:

To:

☐ This confirms our oral notice dated:

Please take notice of this agreement. Please confirm your receipt of this notice and your acceptance of its terms by completing the acknowledgement portion and returning a copy to the secured party.

By:

For the secured party

Acknowledgement by the depository:

Date:

To:

We have received your notice of this agreement. We agree that no account holder or any other person other than you, the secured party, has any right to make any withdrawals from the collateral until this agreement is released in writing by you.

By:

For the depository

Release by secured party:

Date:

To:

This is to advise you that the assignment and security interest in the collateral described above has been released and the original certificate, or passbook or other evidence of the collateral (if any) has been returned to the account holder(s).

By:

For the secured party

**UNITED STATES HOUSE OF REPRESENTATIVES
FINANCIAL DISCLOSURE STATEMENT**

FORM B

For use by candidates
and new employees

Period Covered: January 1, 2000 - July 31, 2000

Clutteris E. Clinesmith (Full Name)

(Mailing Address)

Daytime Telephone:

1765 Westchester Deaton, TX 76201

2000 AUG - 8 PM 3:44

LEGISLATIVE RESOURCE CENTER

(Office Use Only)

Filer Status	<input checked="" type="checkbox"/> Candidate for the House of Representatives	State: <u>TX</u> District: <u>13</u>	Date of Election: <u>11-7-00</u>	Check if Amendment <input type="checkbox"/>	A \$200 penalty shall be assessed against anybody who files more than 30 days late.
	<input type="checkbox"/> New officer or employee	Employing Office:			

In all sections, please type or print clearly in black ink.

PRELIMINARY INFORMATION — ANSWER EACH OF THESE QUESTIONS

I. Did you or your spouse have "earned" income (e.g., salaries or fees) of \$200 or more from any source in the reporting period? If yes, complete and attach Schedule I.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	IV. Did you hold any reportable positions on or before the date of filing in the current calendar year or in the prior two years? If yes, complete and attach Schedule IV.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
II. Did you, your spouse, or a dependent child receive "unearned" income of more than \$200 in the reporting period or hold any reportable asset worth more than \$1,000 at the end of the period? If yes, complete and attach Schedule II.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	V. Did you have any reportable agreement or arrangement with an outside entity? If yes, complete and attach Schedule V.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
III. Did you, your spouse, or a dependent child have any reportable liability (more than \$10,000) during the reporting period? If yes, complete and attach Schedule III.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	VI. Did you receive compensation of more than \$5,000 from a single source in the two prior years? If yes, complete and attach Schedule VI.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

Each question in this part must be answered and the appropriate schedule attached for each "Yes" response.

EXCLUSION OF SPOUSE, DEPENDENT, OR TRUST INFORMATION — ANSWER EACH OF THESE QUESTIONS

TRUSTS—Details regarding "Qualified Blind Trusts" approved by the Committee on Standards of Official Conduct and certain other "excepted trusts" need not be disclosed. Have you excluded from this report details of such a trust benefiting you, your spouse, or a dependent child? (See Instructions, pages 10-11.)

Yes ☐ No ☒

EXEMPTION—Have you excluded from this report any other assets, "unearned" income, transactions, or liabilities of a spouse or dependent child because they meet all three tests for exemption?

Yes ☐ No ☒

CERTIFICATION — THIS DOCUMENT MUST BE SIGNED BY THE REPORTING INDIVIDUAL AND DATED

This Financial Disclosure Statement is required by the Ethics in Government Act of 1978, as amended. The Statement will be available to any requesting person upon written application and will be reviewed by the Committee on Standards of Official Conduct or its designee. Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil penalties and criminal sanctions (See 5 U.S.C. app. 4, § 104 and 18 U.S.C. § 1001).

Certification	Signature of Reporting Individual	Date (Month, Day, Year)
I CERTIFY that the statements I have made on this form and all attached schedules are true, complete and correct to the best of my knowledge and belief.	<u>Clutteris E. Clinesmith</u>	<u>8-4-00</u>

Page 1 of 1

Source (include date of receipt for honoraria)

[illegible]

This page may be copied if more space is required.

SECRET

Page / of 1

For additional assets and unearned income, use next page.

Deborah

SCHEDULE III — LIABILITIES

Name

Curtis Cline-Smith

Page 1 of 1

Report liabilities of over \$10,000 owed to any one creditor at any time during the reporting period by you, your spouse, or dependent child. Mark the highest amount owed during the reporting period. Exclude: Any mortgage on your personal residence (unless there is rental income); loans secured by automobiles, household furniture, or appliances; and liabilities owed to a spouse, or the child, parent, or sibling of you or your spouse. Report revolving charge accounts only if the balance at the close of the previous calendar year exceeded \$10,000.

SP, DC, JT	Creditor	Type of Liability	Amount of Liability										
			B \$10,001— \$15,000	C \$15,001— \$50,000	D \$50,001— \$100,000	E \$100,001— \$250,000	F \$250,001— \$500,000	G \$500,001— \$1,000,000	H \$1,000,001— \$5,000,000	I \$5,000,001— \$25,000,000	J \$25,000,001— \$50,000,000	K Over \$50,000,000	
	Example: First Bank of Wilmington, Delaware	Mortgage on 123 Main Street, Dover, Del.				X							
	Wash Loan	School Loan			X								

SCHEDULE IV — POSITIONS

Report all positions, compensated or uncompensated, held on or before the date of filing during the current calendar year and in the two prior years as an officer, director, trustee of an organization, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution other than the United States.

Exclude: Positions held in any religious, social, fraternal, or political entities; positions solely of an honorary nature; and positions listed on Schedule I.

Position	Name of Organization
Director	University of North Texas-Allen
Director	Camalaities in Schools
Director	Big Brothers / Big Sisters

Use additional sheets if more space is required.

REPORT OF RECEIPTS AND DISBURSEMENTS

For An Authorized Committee
(Summary Page)

USE FEC MAILING LABEL
OR
TYPE OR PRINT

C00350769 121499
KARL LYNCH
CLINESMITH FOR CONGRESS
121 W HICKORY STE 100A
DENTON TX 76201
3

RECEIVED
FEDERAL ELECTION
COMMISSION MAIL ROOM

C00350769-241
2. FEC IDENTIFICATION NUMBER

3. IS THIS REPORT AN AMENDMENT?
☐ YES ☒ NO

4. TYPE OF REPORT

- ☐ April 15 Quarterly Report ☐ 12-Day Pre-Election Report for the _____ (Type of Election)
election on _____ in the State of _____
☐ July 15 Quarterly Report ☐ 30-Day Post-Election Report following the General Election
on _____ in the State of _____
☐ October 15 Quarterly Report
☒ January 31 Year End Report
☐ July 31 Mid-Year Report (Non-election Year Only) ☐ Termination Report

This report contains activity for ☒ Primary Election ☒ General Election ☐ Special Election ☐ Runoff Election

SUMMARY

5. Covering Period	COLUMN A This Period	COLUMN B Calendar Year-to-Date
1-2-99 through 12-31-99		
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(e))	\$ 15,317.20	\$ 15,317.20
(b) Total Contribution Refunds (from Line 20(d))	0	0
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	\$ 15,317.20	\$ 15,317.20
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	\$ 13,761.65	\$ 13,761.65
(b) Total Offsets to Operating Expenditures (from Line 14)	0	0
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	\$ 13,761.65	\$ 13,761.65
8. Cash on Hand at Close of Reporting Period (from Line 27)	\$ 111,555.55	
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	0	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	\$ 60,000.00	

For further information contact:
Federal Election Commission
999 E Street, NW
Washington, DC 20463
Toll Free 800-424-9530
Local 202-694-1100

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer Karl Lynch
Signature of Treasurer [Signature] Date 1/31/00

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. 5437g.

--	--	--	--	--	--	--	--	--	--

FEC FORM 3
(revised 4/87)

21-014-405-0422

DETAILED SUMMARY PAGE

of Receipts and Disbursements
(Page 2, FEC FORM 3)

Name of Committee (in full)

Glinesmith for Congress

Report Covering the Period:

From: 1-2-99 To: 12-31-99

I. RECEIPTS

11. CONTRIBUTIONS (other than loans) FROM:

(a) Individuals/Persons Other Than Political Committees

(i) Itemized (use Schedule A) -----

(ii) Unitemized -----

(iii) Total of contributions from individuals -----

(b) Political Party Committees -----

(c) Other Political Committees (such as PACs) -----

(d) The Candidate -----

(e) TOTAL CONTRIBUTIONS (other than loans) (add 11(a)(ii), (b), (c) and (d)) -----

12. TRANSFERS FROM OTHER AUTHORIZED COMMITTEES -----

13. LOANS:

(a) Made or Guaranteed by the Candidate -----

(b) All Other Loans -----

(c) TOTAL LOANS (add 13(a) and (b)) -----

14. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.) -----

15. OTHER RECEIPTS (Dividends, Interest, etc.) -----

16. TOTAL RECEIPTS (add 11(e), 12, 13(c), 14 and 15) -----

II. DISBURSEMENTS

17. OPERATING EXPENDITURES -----

18. TRANSFERS TO OTHER AUTHORIZED COMMITTEES -----

19. LOAN REPAYMENTS:

(a) Of Loans Made or Guaranteed by the Candidate -----

(b) Of All Other Loans -----

(c) TOTAL LOAN REPAYMENTS (add 19(a) and (b)) -----

20. REFUNDS OF CONTRIBUTIONS TO:

(a) Individuals/Persons Other Than Political Committees -----

(b) Political Party Committees -----

(c) Other Political Committees (such as PACs) -----

(d) TOTAL CONTRIBUTION REFUNDS (add 20(a), (b) and (c)) -----

21. OTHER DISBURSEMENTS -----

22. TOTAL DISBURSEMENTS (add 17, 18, 19(c), 20(d) and 21) -----

III. CASH SUMMARY

1. CASH ON HAND AT BEGINNING OF REPORTING PERIOD -----

2. TOTAL RECEIPTS THIS PERIOD (from Line 16) -----

3. SUBTOTAL (add Line 23 and Line 24) -----

4. TOTAL DISBURSEMENTS THIS PERIOD (from Line 22) -----

5. CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (subtract Line 26 from 25) -----

COLUMN A Total This Period	COLUMN B Calendar Year-To-Date
\$ 64,250.20	
\$ 67.08	
\$ 64,317.28	\$ 64,317.20
\$	\$
\$	\$
\$ 1,000.00	\$ 1,000.00
\$ 65,317.28	\$ 65,317.20
\$	\$
\$	\$
\$ 125,317.20	\$ 125,317.20
13,761.65	13,761.65
\$	\$
\$	\$
\$	\$
\$	\$
\$	\$
\$	\$
\$	\$
\$	\$
\$	\$
\$ 13,761.65	\$ 13,761.65

\$	\$ 0
\$	\$ 125,317.20
\$	\$ 125,317.20
\$	\$ 13,761.65
\$	\$ 111,555.55

LOANS AND LINES OF CREDIT FROM LENDING INSTITUTIONS

NAME OF COMMITTEE (IN FULL) <i>Clinesmith for Congress</i>	FEC IDENTIFICATION NUMBER <i>C00350769</i>	
FULL NAME, MAILING ADDRESS AND ZIP CODE OF LENDING INSTITUTION (LENDER) <i>Point Bank 200 S. Hwy 377/P.O. Box 278 Pilot Point, Texas 76258</i>	AMOUNT OF LOAN <i>\$60,000.00</i>	INTEREST RATE (APR) <i>4.5200</i>
	DATE INCURRED OR ESTABLISHED <i>12-24-99</i>	DATE DUE <i>6-24-00</i>

A. Has loan been restructured? ☒ No ☐ Yes If yes, date originally incurred: _____

B. If line of credit, amount of this draw: _____; total outstanding balance: _____

C. Are other parties secondarily liable for the debt incurred?

☒ No ☐ Yes (Endorsers and guarantors must be reported on Schedule C.)

D. Are any of the following pledged as collateral for the loan: real estate, personal property, goods, negotiable instruments, certificates of deposit, chattel papers, stocks, accounts receivable, cash on deposit, or other similar traditional collateral?

☐ No ☒ Yes If yes, specify: *Cash on deposit*

What is the value of this collateral? *62,760.00*

Does the lender have a perfected security interest in it? ☐ No ☒ Yes

E. Are any future contributions or future receipts of interest income, pledged as collateral for the loan?

☒ No ☐ Yes If yes, specify: _____ What is the estimated value? _____

A depository account must be established pursuant to 11 CFR 100.7(b)(11)(i)(B) and 100.8(b)(12)(i)(B). Date account

established: *12/24/99* Location of account: *Point Bank N.A.*

F. If neither of the types of collateral described above was pledged for this loan, or if the amount pledged does not equal or exceed the loan amount, state the basis upon which this loan was made and the basis on which it assures repayment.

G. COMMITTEE TREASURER

TYPED NAME

Karl Lynch

SIGNATURE

[Signature]

DATE

1/31/00

H. Attach a signed copy of the loan agreement.

I. TO BE SIGNED BY THE LENDING INSTITUTION:

I. To the best of this institution's knowledge, the terms of the loan and other information regarding the extension of the loan are accurate as stated above.

II. The loan was made on terms and conditions (including interest rate) no more favorable at the time than those imposed for similar extensions of credit to other borrowers of comparable credit worthiness.

III. This institution is aware of the requirement that a loan must be made on a basis which assures repayment, and has complied with the requirements set forth at 11 CFR 100.7(b)(11) and 100.8(b)(12) in making this loan.

AUTHORIZED REPRESENTATIVE

TYPED NAME

J. Ray David

SIGNATURE

[Signature]

TITLE

Senior Vice-President

DATE

1-31-00

LOANS

name of Committee (in full)

Clinesmith for Congress

A. Full Name, Mailing Address and ZIP Code of Loan Source <i>Point Bank</i> <i>200 S. Hwy 377 - PO Box 278</i> <i>Pilot Point, TX 76258</i> Election: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify): _____	Original Amount of Loan <i>\$60,000.00</i>	Cumulative Payment To Date <i>0</i>	Balance Outstanding at Close of This Period <i>\$60,000.00</i>
--	---	--	---

Terms: Date Incurred *12-24-99* Date Due *6-24-00* Interest Rate *4.52* % (per) ☒ Secured

List All Endorsers or Guarantors (if any) to Item A			
1. Full Name, Mailing Address and ZIP Code <i>Curtis Clinesmith</i> <i>1705 Westchester</i> <i>Denton, TX 76201</i>	Name of Employer <i>Clinesmith, Lynch</i> Occupation <i>Attorney</i> Amount Guaranteed Outstanding: <i>\$ 60,000.00</i>		
2. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding: \$		
3. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding: \$		

B. Full Name, Mailing Address and ZIP Code of Loan Source	Original Amount of Loan	Cumulative Payment To Date	Balance Outstanding at Close of This Period
Election: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify): _____			

Terms: Date Incurred _____ Date Due _____ Interest Rate _____ % (per) ☐ Secured

List All Endorsers or Guarantors (if any) to Item B			
1. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding: \$		
2. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding: \$		
3. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding: \$		

UBTOTALS This Period This Page (optional) _____

TOTALS This Period (last page in this line only) _____

Carry outstanding balance only to LINE 3, Schedule D, for this line. If no Schedule D, carry forward to appropriate line of Summary.

21 "04" 405 "0425

21 "014" 405 "0426

POINTBANK P O BOX 378 WYLOT 68287, TX 76288	DEBTOR'S NAME, ADDRESS AND SIGN ON THE (If means each Debtor who signs.)	SECURED PARTY'S NAME AND ADDRESS OR (If "You" means the Secured Party, its successors and assigns.)
--	--	---

I am entering into this security agreement with you on DECEMBER 24, 1989 DATE.
SECURED PARTY. I agree that this security agreement will secure the payment and performance of the debts, liabilities or obligations described
below that I check and ☒ I ☐ (Name) _____

(Check one below): _____ (which) to you now or in the future

☒ Specific Debts: The debt(s), liability or obligations evidenced by identifier: LOAN # 0349209-48200 and all
interests, dividends, refundings, modifications and representations of the debt, liability or obligation.

☐ All Debts: Except in those cases listed in the "LIMITATIONS" paragraph on page 2, each and every debt, liability and obligation of
every type and description together with debt, liability or obligation now existing or occurring in the future and whether it is
or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, or joint,
several or joint and several.

Security Interest: To secure the payment and performance of the above described Secured Debts, liabilities and obligations, I give you a
security interest in all of the property described below that I now own and that I may own in the future including, but not limited to, all
parts, accessories, repairs, improvements, and accessories to the property, whenever the property is or may be located, and all proceeds and
substitutes from the property.

☐ Inventory: All inventory which I hold for ultimate sale or lease, or which has been or will be supplied under contracts of service, or which
are raw materials, work in process, or materials used or consumed in my business.

☐ Equipment: All equipment including, but not limited to, all machinery, vehicles, furniture, fixtures, manufacturing equipment, farm
machinery and equipment, shop equipment, office and recordkeeping equipment, and parts and tools. All equipment described in a list or
schedule which I give to you will also be included in this secured property, but such a list is not necessary for a valid security interest in
my equipment.

☐ Farm Products: All farm products including, but not limited to:
(a) all poultry and livestock and their young, along with their products, produce and replacements;
(b) all crops, annual or perennial, and all products of the crops; and
(c) all feed, seed, fertilizer, medicines, and other supplies used or produced in my farming operations.

☐ Accounts, Instruments, Documents, Chattel Paper and Other Rights to Payment: All rights I have now and that I may have in the future to the
payment of money including, but not limited to:
(a) payment for goods and other property sold or leased or for services rendered, whether or not I have earned such payment by
performance; and
(b) rights to payment arising out of all present and future debt instruments, chattel paper and loans and obligations receivable.
The above includes any rights and interests (including all liens and security interests) which I may have by law or agreement against any
account debtor or obligor of mine.

☐ General Intangibles: All general intangibles including, but not limited to, tax refunds, applications for patents, patents, copyrights,
trademarks, trade secrets, good will, trade names, customer lists, permits and franchises, and the right to use my name.

☐ Government Payments and Programs: All payments, accounts, general intangibles, or other benefits (including, but not limited to,
payments in kind, deficiency payments, loans of entitlement, warehouse receipts, storage payments, emergency assistance payments,
diversion payments, and conservation reserve payments) in which I now have and in the future may have any right or interest and which
are under or as a result of any present, current or future Federal or state governmental program (including, but not limited to, all
programs administered by the Commodity Credit Corporation and the ASCS).

☒ The secured property includes, but is not limited to, the following:
POINTBANK SAVINGS ACCOUNT #7236375 IN THE AMOUNT OF \$62,760.00 WITH A
RATE OF 2.00% AND A YIELD OF 2.02%

If this agreement covers timber to be cut, timber including oil and gas, flowers or crops growing or to be grown, the legal description is: N/A

I am an <input checked="" type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation	I AGREE TO THE TERMS SET OUT ON BOTH PAGE 1 AND PAGE 2 OF THIS AGREEMENT. I have received a copy of this document on today's date.
<input type="checkbox"/> If checked, file this agreement in the real estate records. Record Guide (if not true): _____	CURTIS KLINEBATH Debtor's Name
The property will be used for <input type="checkbox"/> personal <input checked="" type="checkbox"/> business <input type="checkbox"/> agricultural <input type="checkbox"/> industrial	By: <u>Curtis Klinebath</u>
POINTBANK Secured Party's Name	Title: _____
By: <u>Shirley Ann Jones</u> SHIRLEY ANN JONES	By: _____
Title: <u>PERSONAL BANKING OFFICER</u>	Title: _____

to give the property as security for the Secured Debt. All terms and conditions of this agreement are subject to the terms and conditions of the security agreement in the Secured Debt. This security agreement shall be deemed to be made in full satisfaction of the debt and shall be deemed to be made in full satisfaction of the debt and shall be deemed to be made in full satisfaction of the debt.

APPLICABLE LAW - I agree that this security agreement will be governed by the law of the state in which you are located. If property described in this agreement is located in another state, this agreement may also, in some circumstances, be governed by the law of the state in which the property is located.

The terms permitted by law, the terms of this agreement may vary slightly from law. Any provision of this agreement that does not comply with the law, will not be enforceable. If any provision of this agreement cannot be enforced according to its terms, the fact will not affect the enforceability of the remainder of this agreement.

OWNERSHIP AND OBLIGATIONS TOWARD PROPERTY - I represent that I own all of the property, or in the event this is a purchase money security interest, I will acquire ownership of the property with the proceeds of the loan. I will defend it against any other claim. Your claim to the property is ahead of the claim of any other debtor. I agree to do whatever you require to protect your security interest and to keep your claim in the property ahead of the claim of other creditors. I will not do anything to harm your position.

I will keep books, records and accounts about the property and my business in general. I will let you examine those records at any reasonable time. I will prepare any report as requested by you, which deals with the property.

I will keep the property at my address listed on page 1 of this agreement, unless we agree I may keep it at another location. If the property is to be used in another state, I will give you a list of those states. I will let you see the property at any time. I will let you receive your written permission to do so. If I sell the property, I will have the payment made payable to the order of you and the lender.

You may demand immediate payment of the debt if the debtor is not a natural person and without your prior written consent (1) a beneficial interest in the debtor is sold or transferred or (2) there is a change in either the identity or number of members of a partnership or (3) there is a change in ownership of more than 25 percent of the voting stock of a corporation.

I will pay all taxes and charges on the property as they become due. You have the right of reasonable access in order to inspect the property. I will immediately inform you of any loss or damage to the property.

LIEN RIGHTS - This agreement will not secure a debt described in the section entitled "Secured Debt" on page 1:

- 1) If you fail to make any discharge of the maintenance of the security interest required by law for such other debt;
- 2) If the security interest is in any principal dwelling and you fail to provide to all persons entitled any notice of right of redemption required by law for such other debt;
- 3) To the extent that the security interest is in "household goods" and the other debt to be secured is a "consumer" debt as those terms are defined in applicable federal regulations governing unfair and deceptive trade practices;
- 4) If this security interest is in margin stock subject to the requirements of 17 C.F.R. Section 207 or 227 and you do not comply with the requirements of the Uniform Securities Act or the regulations promulgated thereunder;
- 5) If the security interest is unperfected by law with respect to that debt.

PURCHASE MONEY SECURITY INTEREST - For the sole purpose of determining the extent of a purchase money security interest arising under this security agreement (a) payments on any non-purchase money loan also secured by this agreement will not be deemed to apply to the purchase money loan, and (b) payments on the purchase money loan will be deemed to apply first to the non-purchase money portion of the loan, if any, and then to the purchase money portion of the loan in the order in which the items of collateral were acquired or if acquired at the same time, in the order indicated by you. No security interest will be terminated by application of this formula. "Purchase money loan" means any loan the proceeds of which, in whole or in part, are used to acquire any collateral securing the loan and all extensions, renewals, consolidations and refinancings of such loan.

AUTHORITY OF SECURED PARTY TO MAKE ADVANCES AND PAY FOR DEFECTS - I agree to pay you on demand any sums you advanced on my behalf including, but not limited to, expenses incurred in collecting, insuring, storing, or preserving the property or in any improvements, repairs, replacements or other expenditures by you in respect to the property. If I fail to pay such sums, you may do so for me, adding one percent paid to the other amounts advanced by this agreement. All such sums will be due on demand and will bear interest at the highest rate provided in any payment, note or other instrument evidencing the Secured Debt and permitted by law in the state of the advance.

If I fail to perform any of my duties under this security agreement, or any mortgage, deed of trust, lien or other security interest, you may without notice to me perform the duties or cause them to be performed. I understand that this authorization includes, but is not limited to, permission to: (1) proceed, file, and sign my name to any necessary papers or documents; (2) notify any secured creditor of your interest in the property and tell the secured creditor to make the payments to you or someone else you name, rather than me; (3) place on any public paper a notice indicating your interest in the property; (4) in my name, demand, collect, receive and give a receipt for, disbursements, debts, and debts due and other proceeds involving the property; (5) take any action you feel is necessary in order to realize on the collateral, including performing any part of a contract or ordering it in my name; and (6) make an entry on my books and records showing the existence of the security agreement. Your right to perform for me shall not create an obligation to perform and your failure to perform will not preclude you from exercising any of your other rights under the law or this security agreement.

to the amount of insurance on the property deposited in the account. I will have the insurance company name you as beneficiary on any such policy. You may require either security or insurance on that insurance proceeds may be used to repair or replace the property. I will buy insurance with a firm licensed to do business in the state where you are located. The firm will be reasonably acceptable to you. The insurance will not cover the property if released from the agreement. If I fail to buy or maintain the insurance for full term, you may require that you only purchase a new policy.

WARRANTIES AND REPRESENTATIONS - If this agreement includes accounts, I will not create any account for less than its full value without your written permission. I will collect all accounts until you tell me otherwise. I will keep the proceeds from all the accounts and any goods which are returned to me or which I take back in full for you. I will not order things with any other property of mine. I will deliver them to you in your request. If you ask me to pay you the full price on any returned items or items returned by myself, I will do so.

If this agreement covers accounts, I will not dispose of it except in my ordinary course of business at the fair market value for the property, or at a minimum price established between you and me.

If this agreement covers farm products, I will provide you, at your request, a written list of the buyers, commission merchants or selling agents to or through whom I may sell my farm products. In addition to those buyers named on this written list, I authorize you to send in your own list of buyers. I authorize you to sell my farm products through any other person or persons. I authorize you to sell my farm products through any other person or persons. I authorize you to sell my farm products through any other person or persons.

DEFAULT - I will be in default if any one or more of the following occur: (1) I fail to make a payment on time or in the amount due; (2) I fail to keep the property insured, if required; (3) I fail to pay, or keep any property, or any debt or obligation I have with you; (4) any other creditor of mine attempts to collect any debt I owe him through court proceedings; (5) I die, am declared incompetent, make an assignment for the benefit of creditors, or become insolvent either because my liabilities exceed my assets or I am unable to pay my debts as they become due; (6) I make any written statement or provide any financial statement that is untrue or inaccurate at the time it was provided; (7) I do or fail to do something which causes you to believe that you will have difficulty collecting the amount I owe you; (8) I change my name or address or change an address without first notifying you before making such a change; (9) I fail to plant, cultivate and harvest crops in due season; (10) if any loan proceeds are loaned for a purpose that will contribute to economic activity of highly erodible land or to the conversion of land to economic activity of highly erodible land, as defined in the National Conservation Act of 1960, Section 6, (a)(1)(B).

REMEDIES - If I am in default on the agreement, you have the following remedies:

- 1) You may demand immediate payment of all I owe you under any obligation secured by this agreement.
- 2) You may set off any obligation I have to you against any right I have to the payment of money from you.
- 3) You may demand more security of new parties obligated to pay any debt I owe you as a condition of giving up any other security.
- 4) You may make use of any remedy you have under state or federal law.
- 5) If I default by failing to pay taxes or other charges, you may pay them for me and be entitled to be paid. If you do, I will repay to you the amount you paid plus interest at the highest contract rate.
- 6) You may require me to gather the property and make it available to you in a reasonable fashion.
- 7) You may lease the property and sell it as provided by law. You may repossess the property as long as the repossession does not involve a breach of the peace or an illegal entry onto my property. You may sell the property as provided by law. You may apply after you receive the proceeds of the sale of the property to your expenses: your reasonable attorney's fees and legal expenses (where not prohibited by law); any debt I owe you. If what you receive from the sale of the property does not satisfy the debt, you may take me to court to recover the difference between what is owed and what you received.
- 8) I agree that 10 days within notice sent to my address listed on page 1 of this agreement shall be a reasonable notice to me under the Uniform Commercial Code.
- 9) Any bond not otherwise subject to this agreement and contained in the property when you take possession, you may hold those items for me at my risk and you will not be liable for taking possession of them.
- 10) In some cases, you may keep the property to satisfy the debt. You may enter upon and take possession of all or any part of my property, as long as you do not breach the peace or disturb any other person's property, including lands, tenements, buildings, machinery, and equipment so may be necessary to permit you to manufacture, produce, process, store or sell or otherwise use, maintain, produce, process, manage or any of any of the property and to use and operate the property for the length of time you feel is necessary to protect your interest, at which time payment or compensation is due.

By choosing any one or more of these remedies, you do not waive your right to later use any other remedy. You do not waive a default if you choose not to use any remedy, and, by making not to use any remedy, you do not waive your right to later choose the event a default and so immediately use any remedy if it becomes an account again.

FINES - A written, photographic or other reproduction of this security agreement of the financing agreement covering the property described in this agreement may be used as a financing agreement where allowed by law, when provided by you, may have the same effect as a financing agreement which does not contain my signature, covering the property covered by this agreement.

CO-SIGNERS - If more than one of us has signed this agreement, we are all obligated equally under the agreement. You may sue any one of us or any of us together if the agreement is violated. You do not have to sue any of us if any term of the agreement has not been satisfied. You may release any co-signer and I will still be obligated under this agreement. You may release any of the security and I will still be obligated under the agreement. Whether by you or any of your agents we do not affect any duties under this agreement. Extending this agreement to new obligations under this agreement, will not affect my duty under this agreement.

Page 1 of 22

REAL ESTATE OR RESIDENCE SECURITY: If this note is secured by real estate or a residence that is personal property, the signature of a defendant on your remittance for such a default, and the determination by applicable law, by the terms of any separate instrument creating the security interest and, to the extent not prohibited by law and not contrary to the terms of the separate security instrument, by the "Claim" and "Remedy" provisions herein.

be accurate, correct and complete.
NOTICE: Unless otherwise required by law, any notice to me shall be given by delivering it or by mailing it to the last known address to me at my last known address. My current address is on page 1. I agree to inform you in writing of any change in my address. I will give any notice to you by mailing it first class to your address stated on page 1 of this pamphlet. Also see other address due you have submitted.

Letter 2 of 2

UNITED STATES HOUSE OF REPRESENTATIVES FINANCIAL DISCLOSURE STATEMENT

FORM B

For use by candidates
and new employees

LEGISLATIVE RESOURCE CENTER

Period Covered: January 1, 1998 - December 31, 1999

2000 AUG - 8 PM 3:44

Curtis E. Chismith
(Full Name)

OFFICE OF THE CLERK
U.S. HOUSE OF REPRESENTATIVES

1705 Westchester Station, TX 76201
(Mailing Address)

Daytime Telephone:

AUG - 4 2000 4
(Office Use Only)

Filer Status	<input checked="" type="checkbox"/> Candidate for the House of Representatives	State: <u>TX</u> District: <u>13</u>	Date of Election: <u>11-7-00</u>	Check if Amendment	A \$200 penalty shall be assessed against anybody who files more than 30 days late.
	<input type="checkbox"/> New officer or employee	Employing Office:			

In all sections, please type or print clearly in black ink.

PRELIMINARY INFORMATION — ANSWER EACH OF THESE QUESTIONS

I. Did you or your spouse have "earned" income (e.g., salaries or fees) of \$200 or more from any source in the reporting period? If yes, complete and attach Schedule I.	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	IV. Did you hold any reportable positions on or before the date of filing in the current calendar year or in the prior two years? If yes, complete and attach Schedule IV.	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
II. Did you, your spouse, or a dependent child receive "unearned" income of more than \$200 in the reporting period or hold any reportable asset worth more than \$1,000 at the end of the period? If yes, complete and attach Schedule II.	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	V. Did you have any reportable agreement or arrangement with an outside entity? If yes, complete and attach Schedule V.	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
III. Did you, your spouse, or a dependent child have any reportable liability (more than \$10,000) during the reporting period? If yes, complete and attach Schedule III.	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	VI. Did you receive compensation of more than \$5,000 from a single source in the two prior years? If yes, complete and attach Schedule VI.	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

Each question in this part must be answered and the appropriate schedule attached for each "Yes" response.

EXCLUSION OF SPOUSE, DEPENDENT, OR TRUST INFORMATION — ANSWER EACH OF THESE QUESTIONS

TRUSTS—Details regarding "Qualified Blind Trusts" approved by the Committee on Standards of Official Conduct and certain other "excepted trusts" need not be disclosed. Have you excluded from this report details of such a trust benefiting you, your spouse, or a dependent child? (See instructions, pages 10-11.)

Yes ☐ No ☒

EXEMPTION—Have you excluded from this report any other assets, "unearned" income, transactions, or liabilities of a spouse or dependent child because they meet all three tests for exemption?

Yes ☐ No ☒

CERTIFICATION — THIS DOCUMENT MUST BE SIGNED BY THE REPORTING INDIVIDUAL AND DATED

This Financial Disclosure Statement is required by the Ethics in Government Act of 1978, as amended. The Statement will be available to any requesting person upon written application and will be reviewed by the Committee on Standards of Official Conduct or its designee. Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil penalties and criminal sanctions (See 5 U.S.C. app. 4, § 104 and 18 U.S.C. § 1001).

SIGNATURE OF REPORTING INDIVIDUAL

Curtis Chismith

DATE (Month/Day/Year)

8-4-00

Name Curtis Clinism:th Page 1 of 1

[illegible]

Page 71

For additional assets and unearned income, use next page.

SCHEDULE III — LIABILITIES

Name

Curtis Cline Smith

Page 2 of 4

Report liabilities of over \$10,000 owed to any one creditor at any time during the reporting period by you, your spouse, or dependent child. Mark the highest amount owed during the reporting period. Exclude: Any mortgage on your personal residence (unless there is rental income); loans secured by automobiles, household furniture, or appliances; and liabilities owed to a spouse, or the child, parent, or sibling of you or your spouse. Report revolving charge accounts only if the balance at the end of the reporting period exceeded \$10,000.

SP, DC, JT	Creditor	Type of Liability	Amount of Liability										
			B \$10,001 - \$15,000	C \$15,001 - \$50,000	D \$50,001 \$100,000	E \$100,001 - \$250,000	F \$250,001 - \$500,000	G \$500,001 - \$1,000,000	H \$1,000,001 - \$5,000,000	I \$5,000,001 - \$25,000,000	J \$25,000,001 - \$50,000,000	K Over \$50,000,000	
	Example: First Bank of Wilmington, Delaware	Mortgage on 123 Main Street, Dover, Del.				X							
	USA Loan	School Loan		X									

SCHEDULE IV — POSITIONS

Report all positions, compensated or uncompensated, held on or before the date of filing during the current calendar year and in the two prior years as an officer, director, trustee of an organization, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution other than the United States. Exclude: Positions held in any religious, social, fraternal, or political entities; positions solely of an honorary nature; and positions listed on Schedule I.

Position	Name of Organization
Director	University of North Texas Alumni
Director	Communities in Schools
Director	Big Brothers / Big Sisters

Use additional sheets if more space is required.